BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 90-266-C - ORDER NO. 90-370 MARCH 30, 1990

IN RE: Generic Proceeding to Consider) ORDER
Intrastate Incentive Regulation.) ESTABLISHING
) DOCKET

Pursuant to <u>S.C. Code Ann.</u>, Section 58-3-140 (1976) the Public Service Commission of South Carolina (the Commission) is authorized to supervise the rates and service of every public utility in this State. This includes "telephone utilities" as defined in <u>S.C. Code Ann.</u>, Section 58-9-10(6) (1976).

The Commission is aware that as competitive forces have emerged in the telecommunications industry, both nationally and in the state arena during the post-divestiture years, a trend across the country has developed to reassess the traditional rate base regulation of telephone utilities. This reassessment has resulted in some jurisdictions adopting various alternatives to traditional rate base/rate of return regulation.

The Commission has determined, and so finds, that it is appropriate to establish this Docket and to institute a generic proceeding to address intrastate incentive regulation. All local exchange companies and interexchange carriers are hereby made parties to this Docket and said telephone utilities shall be subject to any Order issued by the Commission herein.

IT IS THEREFORE ORDERED:

- 1. That this Docket is hereby established to institute a generic proceeding to address the issue of intrastate incentive regulation for jurisdictional telephone utilities.
- 2. That a public hearing in this matter is hereby scheduled to commence on Wednesday, June 20, 1990, at 10:30 a.m. in the Offices of the Commission, 111 Doctors Circle, Columbia, South Carolina.
- 3. That all telephone utilities subject to the jurisdiction of this Commission are hereby made parties of record to this Docket and need not file a Petition to Intervene in this matter.
- 4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman W. Dans

ATTEST:

(SEAL)